



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO) BOARD OF DIRECTORS MEETING MINUTES* MAY 17, 2024 – 9:00 AM

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) convened on Friday, May 17, 2024, as a hybrid meeting.

The Board Meeting agenda packet can be found online at www.SCMTD.com. *Minutes are “summary” minutes, not verbatim minutes. Audio recordings of Board meeting open sessions are available to the public upon request.

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1 CALLED TO ORDER at 9:02 AM by Board Chair Brown.

2 SAFETY DEBRIEF

Gregory Strecker, Safety, Security & Risk Management Director, provided a debriefing on safety, emphasizing METRO’s response to a fire, earthquake and/or medical emergency, evacuation routes, and an active shooter situation.

3 ROLL CALL

Director Downing used the AB 2449 just cause circumstance to attend the meeting remotely.

The following Directors were **present**, representing a quorum:

Director Kristen Brown	City of Capitola
Director Rebecca Downing	County of Santa Cruz
Director Jimmy Dutra	City of Watsonville
Director Shebreh Kalantari-Johnson	City of Santa Cruz
Director Manu Koenig	County of Santa Cruz
Director Donna Lind	City of Scotts Valley
Director Bruce McPherson	County of Santa Cruz
Director Scott Newsome	City of Santa Cruz
Director Larry Pageler	County of Santa Cruz
Director Quiroz-Carter <i>AR 9:10</i>	City of Watsonville
Director Mike Rotkin	County of Santa Cruz
Ex-Officio Director Alta Northcutt	Cabrillo College
Ex-Officio Director Edward Reiskin	UC Santa Cruz
Corey Aldridge	CEO/General Manager
Julie Sherman	General Counsel

4 ANNOUNCEMENTS

- 4.1 Today's meeting is being broadcast by Community Television of Santa Cruz County.
- 4.2 Hector Guzman of Language Line Services provided Spanish interpretation services.

5 BOARD OF DIRECTORS COMMENTS

Board Chair Brown announced that AMBAG (Association of Monterey Bay Area Governments) recently voted to approve funding for METRO's 90X Route between Watsonville and Santa Cruz.

Vice Chair Downing relayed a story from a rider who expressed gratitude to the METRO Bus Operators for creating an island of civility and decorum on every bus ride.

Director Kalantari-Johnson announced the groundbreaking of Pacific Station North on Monday, May 20, 2024 from Noon to 3:00 PM with full details on the City of Santa Cruz website.

Hearing nothing further, Board Chair Brown moved to the next agenda item.

6 ORAL AND WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

Eduardo Montesino, Temporary Reimagine METRO Recruitment and Training Coordinator, provided an update on the hiring/training of Bus Operators. He thanked the Human Resources staff for their collaboration as well as the Transit Supervisors who have been going above and beyond to help the Trainers.

Hearing nothing further, Board Chair Brown moved to the next agenda item.

7 LABOR ORGANIZATION COMMUNICATIONS

Having none, Board Chair Brown moved to the next agenda item.

8 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

Having none, Board Chair Brown moved to the next agenda item.

CONSENT AGENDA

All items appearing on the Consent Agenda are recommended actions which are considered to be routine and will be acted upon as one motion. All items removed will be considered later in the agenda. The Board Chair will allow public input prior to the approval of the Consent Agenda items.

- 9.1 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF APRIL 2024
Chuck Farmer, Chief Financial Officer
- 9.2 ACCEPT AND FILE:
 - A. MINUTES OF APRIL 26, 2024 BOARD OF DIRECTORS MEETING
 - B. MINUTES OF MAY 10, 2024 FINANCE, BUDGET AND AUDIT STANDING COMMITTEE MEETING

C. MINUTES OF MAY 10, 2024 PERSONNEL/HUMAN RESOURCES
STANDING COMMITTEE MEETING

Corey Aldridge, CEO/General Manager

- 9.3 ACCEPT AND FILE: THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF APRIL 30, 2024
Chuck Farmer, Chief Financial Officer
- 9.4 ACCEPT AND FILE: THE YEAR-TO-DATE KEY PERFORMANCE INDICATORS (KPI) REPORT FOR QUARTER THREE AS OF MARCH 31, 2024
Chuck Farmer, Chief Financial Officer
- 9.5 ACCEPT AND FILE: THE METRO PARACRUZ OPERATIONS STATUS REPORT FOR JANUARY, FEBRUARY, AND MARCH 2024
Rina Solorio, Assistant Operations Manager
- 9.6 ACCEPT AND FILE: THE METRO SYSTEM RIDERSHIP REPORTS FOR THE THIRD QUARTER OF FY24
John Urgo, Planning and Development Director
- 9.7 APPROVE: REQUEST TO AUTHORIZE FUNDING FOR A BUSINESS SYSTEMS PROGRAMS MANAGER POSITION IN THE INFORMATION TECHNOLOGY DEPARTMENT
Dawn Crummié, Human Resources Director

There were no public comments.

The Board Chair called for a roll call vote on Items 9.1 – 9.7.

ACTION: MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR PAGELER

MOTION PASSED WITH 10 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Koenig, Lind, McPherson, Newsome, Pageler, and Rotkin). Director Quiroz-Carter was absent.

REGULAR AGENDA

**10 PRESENTATION OF EMPLOYEE LONGEVITY AWARD FOR:
(20 YEARS) FEDERICO ROCHA**

Board Chair Brown read Mr. Rocha's bio and thanked him for his years of service to METRO.

There were no public comments.

**11 RETIREE RESOLUTION OF APPRECIATION FOR:
JOHN FUENTEZ – BUS OPERATOR**

Board Chair Brown congratulated Mr. Fuentez on his retirement and his 44 years of service at METRO.

There were no public comments.

The Board Chair called for a roll call vote.

ACTION: MOTION TO APPROVE THE RETIREE RESOLUTION OF APPRECIATION FOR JOHN FUENTEZ

MOTION: DIRECTOR PAGELER

SECOND: DIRECTOR ROTKIN

MOTION PASSED WITH 11 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Koenig, Lind, McPherson, Newsome, Pageler, Quiroz-Carter, and Rotkin).

12 REVIEW AND RECOMMEND APPROVAL OF SANTA CRUZ METRO'S DRAFT FY25 AND FY26 OPERATING BUDGETS AND FY25 CAPITAL BUDGET-PORTFOLIO

Chuck Farmer, Chief Financial Officer, spoke to the presentation and requested the Board to set the public hearing at the next Board meeting on June 28, 2024 for the final adoption of the FY25 and FY26 operating budgets and FY25 capital budget. He highlighted the changes to the budget since March 2024 when the preliminary budgets were presented to the Board, including the assumptions and risks considered.

Ex-Officio Director Northcutt left the meeting at 10:00 AM.

Discussion followed on:

- Replacement of non-revenue vehicles with electric or hybrid vehicles
- Continue cultivating relationship with 3CE (Central Coast Community Energy) and consider having 3CE make a presentation to the Board
- Funding for the new Watsonville Transit Center and the type of housing it will provide
- Ballot measure for a sales tax
- METRO Bus Roadeo
- Fare revenues
- Fuel cost volatility
- Impacts of Governor Newsome's reduction in the state budget
- Costs involved in shifting from CNG (compressed natural gas) and diesel to hydrogen
- Reconsider zero fare program and clarification that the first year of the program is funded through grants
- Additional funding resources
- Santa Cruz County's sales tax projections
- Equity issues

Staff addressed all concerns.

Board Members requested an item for the June 28, 2024 agenda to consider three options for a future budget modification should the Board decide to (1) move forward with an additional year of free fares, (2) get rid of free fares altogether or (3) divide up the year of free fares to have a window of free fares for the launch of Phase 2 and another window of free fares in a run up to the ballot measure.

Brandon Freemon, SMART General Chairperson, Local 23, provided some context on reduced fares and reminded Board Members that the UCSC fare

correlates to tripling the service on campus. METRO is not billing the campus per ride but for the additional route service. He also expressed his opinion on fare reduction and the ease of collecting payment.

The Board Chair called for a roll call vote.

ACTION: MOTION TO APPROVE SANTA CRUZ METRO'S DRAFT FY25 AND FY26 OPERATING BUDGETS, FY25 CAPITAL BUDGET, AND A RESOLUTION SETTING A PUBLIC HEARING ON JUNE 28, 2024

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR LIND

MOTION PASSED WITH 11 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Koenig, Lind, McPherson, Newsome, Pageler, Quiroz-Carter and Rotkin).

13 CEO ORAL REPORT

Corey Aldridge, CEO/General Manager announced:

- New hires (Gregory Nolen, Abel Fonseca Arambula, Isaac Hernandez, and Saul Acosta) and promotions (Jose Carranco and Adrian Jimenez) since April's Board meeting
- Four Hermes creative awards and one CAPIO (California Association of Public Information Officials) award for ORAT (One Ride At A Time) Program
- SB125 funding and meetings with legislative staff that recently occurred
- Appreciation for his staff members

There were no public comments.

14 ANNOUNCEMENT OF NEXT MEETING

Board Chair Brown announced the next regular Board meeting will be on Friday, June 28, 2024 at 9:00 AM at the METRO Admin Office, 110 Vernon Street, Santa Cruz, CA.

15 ADJOURNMENT

Board Chair Brown adjourned the meeting at 10:36 AM.

Respectfully submitted,

Donna Bauer
Executive Assistant